GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

STARRED QUESTION NO:346
ANSWERED ON:13.12.2002
DIRECT TAX NET
PRIYA RANJAN DASMUNSI

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) the total percentage of Indian population brought under the direct tax net as on March 31, 2002;

(b) whether the net could be expanded if the direct tax regime is further liberalised; and

(c) if so, the views and approach of the Government in this regard?

Answer

THE MINISTER OF FINANCE & COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) Percentage of Population paying Direct Taxes as on March 31, 2002 is 2.92%.

(b)&(c) Rationalisation and simplification of the Direct Tax Laws, initiated sometime back, has had positive results. Simplification has resulted in increase in the number of taxpayers, over the last few years. It is expected that further simplification and rationalization of the Direct Tax regime will promote voluntary compliance, improve revenue collections and also help expand the number of Direct Tax payees.